

AMENDED BYLAWS FOR THE UTAH COUNTIES INSURANCE POOL

These Amended Bylaws are adopted by the Board of Trustees of the Utah Counties Insurance Pool ("Pool") and entered into by and among Members of the Pool, each of which hereby agrees to abide by the terms and conditions of these Amended Bylaws and all actions taken pursuant hereto.

ARTICLE 1. Authority.

- 1.1 These Bylaws are amended pursuant to the provisions of the Amended Interlocal Cooperation Agreement.
- 1.2 These Bylaws may be amended and shall continue in effect until amended as provided herein.
- 1.3 The Pool shall have all powers necessary or desirable to achieve the purposes of the Pool as set forth in the Agreement and these Bylaws.

ARTICLE 2. Definitions.

As used in these Bylaws, the following terms shall have the meaning hereinafter set out:

- 2.1 **Agreement or Amended Agreement.** The Amended Interlocal Cooperation Agreement for Utah Counties Insurance Pool.
- 2.2 **Board of Trustees or Board.** The Board of Trustees of the Utah Counties Insurance Pool.
- 2.3 **Board Meeting.** A meeting of the Board of Trustees where a quorum is present and for which proper notice has been provided in accordance with Utah law.
- 2.4 **Bylaws or Amended Bylaws.** The Amended Bylaws of the Utah Counties Insurance Pool.
- 2.5 **Code.** The Utah Code, including Utah Code Ann. Titles 11, 63G and 31A, as amended from time to time.
- 2.6 **County or Counties.** One or more of the twenty-nine counties of the State of Utah.
- 2.7 **Chief Executive Officer.** The person designated by the Board of Trustees as Chief Executive Officer of the Utah Counties Insurance Pool.
- 2.8 **Member.** A county or county related entity that is a party to the Amended Interlocal Cooperation Agreement.
- 2.9 **Membership Meeting.** A meeting of the Members of the Utah Counties Insurance Pool where a quorum is present and for which proper notice has been provided in accordance with the Agreement and Bylaws.

- i. The purpose of the special service district is to serve as a financial conveyance of the aforementioned mineral lease payments; and
 - ii. Funds conveyed through the special service district are expenses of the special district and are made by an operating department of the Member county with oversight exercised by the Member county's governing body.
- (c) County health departments and multi-county health departments are eligible for coverage, either through the Member county or as a separate, nonvoting member, provided the organization of the health department is established under Title 26A of the Utah Code.
- (d) A Member county may obtain liability coverage for Children's Justice Center Local Advisory Board members who do not serve due to public office upon the following conditions:
 - i. The Children's Justice Center is established under Chapter 5b of Title 67 of the Utah Code; and
 - ii. The Member county is the contracting public agency under 67-5b-104(e) of the Utah Code; and
 - iii. The Children's Justice Center Local Advisory Board member does not serve due to public office as provided for in 67-5b-105(1)(b) through (e); and
 - iv. The Children's Justice Center Bylaws authorize the Member county to remove any Board member who does not serve due to public office as provided for in 67-5b-105(1)(b) through (e) at any time and for any reason; and
 - v. The Member county has provided UCIP a copy of the duly adopted bylaws with the language specified in subsection (d)(iv), and UCIP has acknowledged receipt of the bylaws.
- (e) Coverage through UCIP may be obtained for non-profit corporations (those exempt from taxation under Internal Revenue Code 26 U.S.C. 501), municipalities or other political subdivisions, that contract to provide services to the Member county, subject to the following criteria being met:
 - i. The contract is for the benefit of, and is executed under the authority of the Member county; and
 - ii. The Member county is legally authorized to provide the service, function or facility which is the subject matter of the contract; and
 - iii. The Member county is obligated by the contract to provide insurance coverage to the other party to the contract; and
 - iv. A copy of the contract has been provided to the Pool.

- (e) Provide information requested by the Pool, its Chief Executive Officer, and any other agent, contractor, employee or officer of the Pool, as reasonably required for the administration of the Pool.
- (f) Allow the Pool, and attorneys and others designated by the Pool, to represent the Member in the investigation, settlement and litigation of any claim within the scope of loss protection furnished by or through the Pool and also to deny coverage for any claims settled by a Member or for any monies paid by a Member toward claims without the prior written approval of the Pool.
- (g) Follow the claims, loss reduction and prevention, and risk management policies and procedures established by the Board.
- (h) Report to the Pool, in the form and within the time required by the Board, all incidents or occurrences that could reasonably be expected to result in a covered claim to the Pool under the coverage agreement issued to the Member.
- (i) Report to the Pool, in the form and within the time required by the Board, the addition of new programs, facilities and exposures or the significant reduction or expansion of existing programs and facilities covered under the coverage agreement issued to the Member.
- (j) Adopt and maintain the following policies:
 - i. Sexual Harassment Policy; and
 - ii. Personnel Policy, including Employee Safety Accountability; and
 - iii. High-Speed Pursuit Policy; and
 - iv. Seat Belt Use Policy for all drivers of county vehicles; and
 - v. County Vehicle Use Policy including annual MVR checks, completion of defensive driving course by each driver at least once every five years, and restricting use of county vehicles where necessary; and
 - vi. A written policy restricting alcohol from being served at county owned facilities, including all facilities scheduled by the Member county and covered by UCIP, unless additional insurance has been obtained to cover the exposure created by selling and/or serving alcoholic products.

ARTICLE 5. Board of Trustees.

5.1 The Board shall:

- (a) Perform all duties required by Utah law, the Agreement, and these Bylaws.
- (b) Obtain and provide to Members at least annually an audit of the finances of the Pool performed by an independent certified public accountant.

ARTICLE 6. Officers, Meetings, Procedures.

- 6.1 The principal offices of the Board shall be: president, vice-president and secretary-treasurer. The principal offices shall be held by three separate natural persons. Officers shall be elected by and from among the Trustees, at the first Board meeting following each annual meeting of the Members. The Board shall establish the powers and duties of each officer, consistent with these Bylaws, and the Agreement. All Members of the Board shall have full voting rights. The president shall preside over meetings of the Board and of the Members and shall perform such other duties as may be prescribed from time to time by the Board and the Members. The vice-president shall exercise the powers of the president in the absence of the president, and the secretary-treasurer shall exercise the powers of the president in the absence of the president and vice-president.
- 6.2 The Board shall fix the date, time and place of regular meetings that are scheduled in advance over the course of a year. Meetings may be called by the president, or by any five Members of the Board, by written notice mailed at least ten days in advance to all Trustees or by unanimously executed waiver of notice. Emergency meetings of the Board may be held to consider matters of an emergency or urgent nature, after an attempt has been made to notify all Board Members and a majority votes in the affirmative to hold the meeting. Notice, including public notice, of all meetings and the agenda shall comply with applicable laws of the State of Utah.
- 6.3 Seven Trustees shall constitute a quorum to do business. All actions of the Board shall require a quorum and a majority vote of the Trustees present, except where a different vote is required by these Bylaws.
- 6.4 The Board shall adopt such policies and procedures as it deems necessary or desirable for the conduct of its business.
- 6.5 Any or all Trustees may participate in any meeting of the Board by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence at the meeting.
- 6.6 The Board shall establish its own rules of order that are not in conflict with the laws of the State of Utah, the Agreement, and other specific provisions of these Bylaws.
- 6.7 A Trustee's position may be declared vacant by official action of the Board of Trustees when the Trustee has accumulated two consecutive unexcused absences at duly called meetings for which the Trustee has received notification. Excused absences will be granted only with advance notice received by the UCIP offices prior to the Board meeting and approved by formal action of the Board.

ARTICLE 7. Financing.

- 7.1 All monies of the Pool, and earnings thereon, shall be held in the name of and for the use and benefit of the Pool.

- 9.2 Any membership in the Pool may be terminated by the Board or by a three-fourths vote of the Members for failure of the Member to carry out any other obligation of the Member, subject to the following:
- (a) The Member shall receive written notice from the Board of the alleged failure and shall be given not less than 30 days in which to correct the alleged failure, along with notice that termination of membership could result if the failure is not corrected.
 - (b) The Member may request a hearing before the Members at a membership meeting prior to the termination. The request shall be made in writing to the Board at least ten business days before the end of the period given by the Board to correct the alleged failure. The Board shall present the case for termination of membership at the hearing and the affected Member may present its case. The affected Member shall not be counted in determining the number of votes required, nor shall the representative of such Member be entitled to vote on the termination.
 - (c) If a request is not received pursuant to Article 9.2(b) of the Bylaws and if the failure is not corrected within the time required by the Board's notice, or any extension of such time as the Board may grant, the Board may terminate the membership. The Member may request a hearing before the Board on the proposed termination in lieu of a hearing before the Members. The request shall be made in writing and received by the Board at least five days before the end of the period given by the Board to correct the alleged failure, and shall be granted if so made.
 - (d) The Board shall provide the Member at least ten days prior written notice of the time and place of any requested hearing, and the proposed termination of membership may not take effect until such time after the conclusion of any hearing as the Board or Members, as applicable, may set.
- 9.3 Termination of membership shall be in addition to any other remedy that may exist.
- 9.4 A Member shall lose all voting rights and any claim of title or interest to any asset of the Pool upon involuntary termination of its membership. The Coverage and payment of claims after the effective date of a Member's withdrawal or termination shall be consistent with the Agreement and these Bylaws.

ARTICLE 10. Dissolution and Disposition of Property.

- 10.1 The Pool may be dissolved by the Members as provided in the Agreement. In the event of voluntary dissolution of the Pool, the assets of the Pool not used or needed for the purposes of the Pool, including its contractual obligations, shall be distributed, as determined by the Board, only to Utah counties which are Members of the Pool at the time of dissolution. The Members of the Pool at the time the vote is held to dissolve the Pool shall continue to be considered Members of the Pool until the final disposition of property and dissolution of the Pool is complete.
- 10.2 Upon partial or complete dissolution of the Pool by the Members in accordance with the Agreement, the Trustees shall determine, consistent with these Bylaws, all other matters relating to the disposition of property and dissolution of the Pool by a two-thirds vote of all Trustees.

- 13.2 In the event that any portion of these Bylaws is held invalid or unenforceable, such invalidity or unenforceability shall not affect other portions, and these Bylaws are expressly declared to be severable.
- 13.3 These Bylaws do not relieve any Member of any obligation or responsibility imposed upon it by law except to the extent that actual and timely performance thereof by the Pool satisfies such obligation or responsibility.
- 13.4 All moneys received by the Pool are public funds, including earned interest, derived from its Members, which are counties and county related entities within the State of Utah.
- 13.5 It is the intention of the Members that the Pool and any income of the Pool not be subject to taxation. The Board and the Members shall cooperate in such respects, including amending these Bylaws, as reasonably necessary to establish and maintain the non-taxable status of the Pool.
- 13.6 Except as permitted in these Bylaws, the Agreement and amendments thereto, neither the Board nor any other person or entity is authorized to incur liabilities or obligations or enter into contracts on behalf of the Members.
- 13.7 In the event of the payment of any loss by the Pool under this Agreement, the Pool shall be subrogated to the extent of such payments to all the rights of the Member against any other person or other entity legally responsible for damages for such loss, and in such event the Member agrees to render all reasonable assistance to effect recovery.

ARTICLE 14. Conflict of Interest and Disclosure.

- 14.1 Board Members and Chief Executive Officer shall not request, receive, or accept a gift or loan for themselves or another if:
 - (a) It tends to influence the Board Members or Chief Executive Officer in the discharge of his or her official acts as a Board Member or Chief Executive Officer; or
 - (b) She/he within two years has been involved in any official act directly affecting the donor or lender or knows that he/she will be involved in any official act directly affecting the donor or lender in connection with his or her membership on the Board or as the Chief Executive Officer.
- 14.2 The prohibition set forth in Section 1 above shall not apply to:
 - (a) An occasional nonpecuniary gift, insignificant in value; or
 - (b) An award publicly presented in recognition of public service; or
 - (c) A commercially reasonable loan made in the ordinary course of business by an institution authorized by the laws of the state to engage in the business of making loans; or
 - (d) A political campaign contribution, provided that such gift or loan is actually used in a political campaign and is subject to Utah law regarding such gift or loans.

Dated this 3 day of December, 2009.

By: Kay Blackwell

Print Name: Kay Blackwell

Title: President

ATTEST:

By: Steven C. Wall

Print Name: Steven C. Wall

Title: Secretary-Treasurer

Date: 3 December 2009